

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|   |   |          |
|---|---|----------|
| THE APPLICATION OF BOONE COUNTY WATER & | ) |          |
| SEWER DISTRICT FOR COMMISSION APPROVAL  | ) | CASE NO. |
| TO PURCHASE WHISPERING TRAIL WASTEWATER | ) | 90-409   |
| TREATMENT PLANT                         | ) |          |

O R D E R

On December 10, 1990, the Boone County Water and Sewer District ("Boone County") filed an application for Commission approval of the transfer to Boone County of the Whispering Trail wastewater treatment plant ("Whispering Trail"). The plant is located in Boone County, Kentucky. By letter dated December 27, 1990, Boone County was notified by the Commission that its application did not meet certain filing requirements. Boone County filed the requested information and cured the deficiency on January 8, 1991.

Having reviewed the application and evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. The owner of the Whispering Trail plant has agreed to sell and Boone County has agreed to purchase the plant for a total price of \$1.

2. A transfer agreement was executed on October 18, 1990, which by its stated terms is contingent upon Commission approval of the transfer.

3. Boone County employs individuals who are certified as wastewater system operators by the Kentucky Board of Certification of Wastewater System Operators.

4. As of December 31, 1989, Boone County's sewer operations had assets of \$7,167,737 and reported current and accrued liabilities of \$1,715,525.<sup>1</sup>

5. Boone County, as a water district organized under the provisions of KRS Chapter 74, is a political subdivision of the Commonwealth.

6. In view of its financial assets and its status as a political subdivision of the Commonwealth, Boone County has sufficient financial integrity to ensure the continuity of sewage service. A copy of a valid third-party beneficiary agreement guaranteeing the continued operation of the proposed sewage treatment system is therefore not required. 807 KAR 5:001, Section 3(1)(a).

7. Boone County has the financial, technical, and managerial abilities to provide reasonable utility service to the customers of Whispering Trail.

8. Boone County should maintain its books of account in accordance with the Uniform System of Accounts for Sewer Utilities prescribed by the Commission.

IT IS THEREFORE ORDERED that:

1. The proposed transfer be and it hereby is approved.

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<sup>1</sup> Annual Report of Boone County Water and Sewer District ("Sewer Operations") for the year ended December 31, 1989, pp. 2-3.

2. Boone County shall file journal entries reflecting its accounting of the transfer within 30 days of the date of this Order. The transfer shall be recorded on the books of Boone County in accordance with Finding 8 herein.

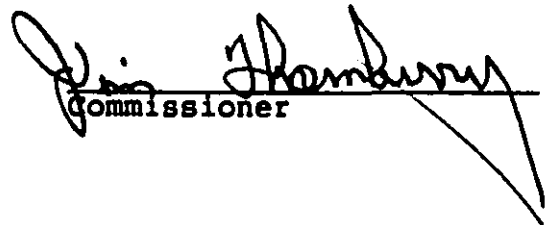
3. Within 30 days of the date of this Order, Boone County shall file with the Commission an adoption notice, adopting, ratifying, and making its own all rates, rules, classifications, and regulations of Whispering Trail.

Done at Frankfort, Kentucky, this 29th day of January, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director